



Number 14, July 1994

# WHAT IS AOTEAROA YOUTH NETWORK?

The Aotearoa Youth Network is an organisation dedicated to building links between youth who are active in "progressive" politics. It is open to all and seeks to provide a place for discussion, learning and action across organisations, individuals and causes.

AYN was established at the 1993 Peace, Power and Politics Conference, where over 600 people (including over 150 young people) gathered. The main activity of AYN so far has been the production of a monthly newsletter, which presently goes to over 120 people, and reaches a far wider audience. AYN has established a positive presence in the progressive peoples' movement, and hopes to go beyond "networking" to assist in the formation of new organisations and groups.

We want to put anything in this magazine that you can write - news, articles, poetry, letters, anything. The more you write in, the more this magazine acts as a networking tool. We attempt to print anything you send without cutting but please note:

- We will not print anything that is overtly racist, sexist, homophobic or offensive to any marginalised group. If you want to debate issues that may offend people, try and be very clear about what you are trying to do, and why.

**Deadline: 20th August.**

Write to AYN at:

c/ - The Web Resource Centre  
111 Moray Place  
Dunedin.

## THE NEXT STEP DEMOCRACY MOVEMENT - YOUNG ACTIVISTS WANTED!

Looking for something to get stuck into?? How about joining hundreds of other activists from around the country in a campaign that aims to set the political agenda for the next election, and beyond! The Next Step Democracy Movement would love to hear from any keen and enthusiastic people who would like to be part of a major campaign.

Next Step is being coordinated by a group of Wellington activists who come from a range of backgrounds in the peace, environment, health, education and trade union movements. They have come up with a plan that aims to encourage New Zealanders to become active participants in reclaiming democracy - resisting the new right and the undemocratic decisions made by politicians over the last ten years. This is a good time to be building a popular movement - while politicians and parties realign themselves to fit into the MMP environment.

The Next Step plan involves using the Citizens Initiated Referendum Act 1993 - legislation which at least for a while has give petitions some power again. How it works is that if a group can get 10% of the voting public (230 000 signatures) to sign their petition within a twelve month period, then there must be a general referendum on that petition question. There are strict time and budget limits to the process, so that it cannot be captured by powerful lobby groups or big business. Next step are using a package of six referendum

questions covering issues on health, education, unemployment, military spending, and energy conservation.

This campaign will be a great way to promote public debate on issues which many New Zealanders feel strongly about. Different pressure groups can take up the issues they are most concerned with, (for example students may be most active on the education question), so they will be promoting their own issue at the same time as helping the campaign.

In June the six referenda questions were submitted to the Clerk of the House, so that the wording can be checked and approved. From late September there will be twelve months to collect 230 000 signatures on each petition. The Clerk of the House then has two months to validate the petitions, and then a referendum must be held within twelve months. These referenda will not be legally binding, however Next Step are confident that political parties will be forced to respond to the issues with so much public activity and debate coming out of the campaign process.

The campaign encourages heaps of people to get active - from signing the petitions, collecting signatures, running street stalls, fundraising, contacting groups, organising speakers..... lets get into this Movement Building! If you would like to find out more about Next Step, there will be local coordinators in your area soon - or you can write or phone :

**The Next Step Democracy  
Movement at  
P.O. Box 11-578, Wellington;  
Ph: 04-382-8146  
Fax: 04-382-8147.**



**The Six Referenda Questions:**

1. All New Zealanders should have access to a non-profit public health service which is fully government funded and without user charges.

2. All New Zealanders should have access to a non-profit public education service that is fully government funded and without user charges, from pre school to tertiary levels.

3. The central goals of government economic policy should be full employment at livable wages and, for those not in the paid workforce, an income based on what it actually costs to live.

4. New Zealand's military budget should be reduced to half its 1994 level by the year 2000 and the savings allocated to health, education, employment and conservation.

5. The Employment Contracts Act should be replaced with laws that deliver pay equity and are consistent with the International Labour Organisation's conventions and the United Nations International Bill of Human Rights.

6. Any increase in New Zealand's electricity demand should be met from energy conservation, and from sources that are environmentally sustainable and do not produce carbon dioxide (CO2).

**May 1st Rally, Kuala Lumpur**

More than 2,000 workers staged a demonstration today at the Merdeka Square (Independence Square), a landmark of the capital city which faces the Supreme Court Building in Kuala Lumpur. The crowd consisted of workers from all over Malaysia, people of the plantation communities and urban poor areas, who arrived in force to protest against government apathy towards Plantation Workers and Urban Settlers (squatters).

Defying sections 27, 27A, 27B and 27C of the Police Act, which prohibits illegal public assemblies, the demonstrators

rallied together to demand their right to adequate housing and decent wages, and to protest the deplorable lack of basic amenities in their communities such as water, electricity, roads and proper schooling infrastructure. Their demands were clearly stated in a memorandum that they had prepared which called on the Prime Minister, Datuk Seri Dr. Mahathir Mohamad to take heed of the problems facing these two communities, emphasising the absence of appropriate housing facilities for the people.

Shortly after the demonstration began, the F.R.U. (Federal Reserve Unit for crowd and riot control) was called in. The 80 personnel that were deployed



• Kate McPherson.

seemed rather inconfident of controlling the crowd of demonstrators, prepared as they were with a dog unit and tear gas, and they made no attempt to agitate the people. It is normal practice for the Malaysian security apparatus to be present in intimidating numbers in order to overwhelm the crowd if necessary, but it was blatantly clear this time, they had been caught unawares by the strength in numbers of the demonstrators.

Cries of "We want Justice! We want Justice!" rose loud and clear from the crowd, and ironically right in front of the highest court in Malaysia. After almost an hour of highly spirited sloganising that forcefully stated "We toiled for the Nation!", "Development for Whom" and "Don't Privatisise Humanity!" the protesters began to march towards Merdeka Stadium, or the Stadium of Independence, where the first Prime Minister of Malaysia had proclaimed independence from British rule 37 years ago. However the police, who by now were in a highly agitated and in an unpredictable state, blocked the procession at its head and the officer in charge, the Chief Police Officer of Kuala Lumpur, was forced to appeal to the demonstrators to turn back. Subsequently, all Malaysian mass media toned down greatly on the reports of the demonstration, leaving little credibility in their being the voice of the people, rather just the government mouthpiece.

But feelings ran high as the people celebrated their success in staging a mass workers demonstration for the first time in more than twenty years. Amidst enthusiastic shouts claiming "Victory!", the people decided to wait near the protest site for the buses to come and collect them. After so many years of repression, it was a

momentous occasion to have been able to commemorate the 100th anniversary of May Day without having the effort end in violence and be forcefully put down by security forces. The labour movement in Malaysia has had few successes in their long history, but this May Day, the working class of Malaysia scored a huge point for itself.

### The Forsaken Lot

Having formed the backbone of this nation's economy for the large part of the century, plantation communities recognise their contribution to the nation's economic success and now feel that they too should be enjoying the fruits of their labour. Instead after three generations, they are still being asked to sacrifice for the country.

According to the Labour Ministry's report of 1989, the average wage of a rubber tapper has actually declined in real terms over the last 15 years. Workers in oil palm estates only fare marginally better. Only 30% of all estates in Malaysia receive government water supply while the rest are forced to use well-water and other such sources.

In a recent conference on the plantation sector, Dr. Jeyakumar Selvaraj of Ipoh General Hospital presented results of studies which clearly indicated that the worst malnutrition rates in the country occurred in plantations. These rates of malnutrition were correlated with the stunting of physical growth among estate

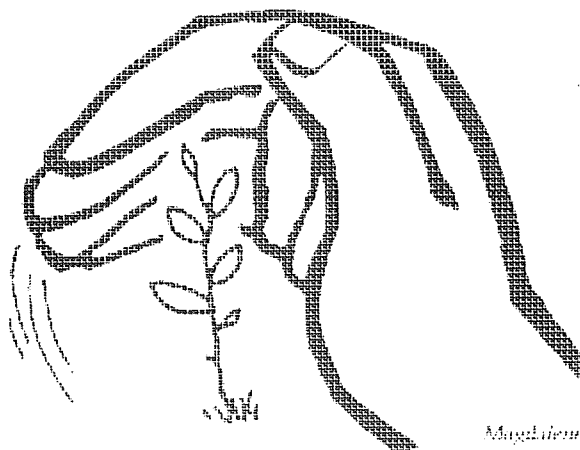
children and their poor results in school.

While being consistently identified as a poverty group by nearly every related government report, little has been done to alleviate their situation. The government claims that plantation owners have the responsibility of providing facilities for the estate communities. Yet existing laws that are supposed to enforce this are out of date and remain unimplemented.

Moreover, according to the Rubber Statistics Handbook of 1988 published by the Department of Statistics, government financed companies such as Perbadanan Nasional (Pernas or the National Body), Permodalan Nasional Berhad (PNB or National Investment Lmted.), the Armed Forces Cooperative Society, Tabung Haji and the State Economic Development Corporation are significant proprietors in the industry.

There seems to be little political will to address the problems of this hidden society within Malaysia. Among the placards, one said, "Caring Society? - Empty words!"

### • The Support Committee for Urban Pioneers and Plantation Communities.



# Youth Rates

The United Nations Report that drew attention to the shameful position of New Zealand in terms of youth suicide and abuse highlighted the extent that this government has marginalised, humiliated and disempowered the young adults in our society.

It is difficult to maintain pride within yourself, your future and your position within the community when the legislative leaders of our nation have an orchestrated policy of devaluing your worth and measuring your status in society by costing you as parental property, or as a labour unit that is worth less per hour than a Big Mac.

As a result of this dehumanising piece of legislation a committee has been formed to campaign against youth rates.

The committee was launched with the aid of Moana Maintop Jackson, Richard Northey MP, the Alliance's Laila Harre and a group of young people who have been involved in the issue in Hamilton.

The committee is made up of representatives of both Labour and the Alliance (both of which oppose the present legislation), representatives of the NDU & SWU, Council Youth Officers, Community Group Reps (inc. AUWRC), and young people themselves.

The committee now has an information package and leaflet circulation to increase community awareness on the issue; has maintained a strong presence within the Student movement; will further be promoting the issue at the Youth Expo; and will be speaking with

school groups and other groups of young people.

Low youth rates are an effective form of slave or indentured labour because in many situations young people have no alternatives.

Increasing poverty and unemployment among low income families has meant more young people are expected to contribute financially to the household income. Having to work for \$3.68 p/h may seem a better (if not the only) alternative to watching your family slip further into debt.

Teenage and young adult parenthood is a fact of our society. This means that the under 20 year old parents are expected to raise their families on a subsistent wage.

In the Year of the Family the Government's message is clear to young adults trying to take responsibility for their children - becoming dependent on insufficient state support offered to sole supporting parents, or watch your potential family unit collapse under the financial hardship induced by the present youth rates legislation.

A 15 year old that the education system has failed does not qualify for any Income Support assistance. The only legal survival option is to accept the sweat-house wages set by the Government.

For 16/17 year olds the only option is the Independent Youth Benefit.

Young adults who can no longer live at home are forced into

revealing private and often traumatic details of their lives to bureaucrats inadequately trained in this area.

Usually the junior interviewing officer at Income Support will push for a family meeting as a prerequisite for financial support. NZISS generally see this as more desirable and cost effective than individual assessment by a qualified councillor.

This can lead to victims of physical, sexual, emotional or mental abuse having to be confronted by their abuser, all orchestrated and arranged courtesy of a Government department designed to provide assistance to the vulnerable.

Many are unable to go through that experience. Often that forces those that have been abused to find alternative income on the streets that leads towards further abuse and exploitation.

Many of our young people find their is more dignity amongst their peers to live off crime then to sell their labour for \$3.68 per hour.

The real crime though is a Government that now stands our internationally as destroying a generation of its own people.

- **Meantimes, July/August, 1994. Brought out by the Auckland Unemployed Workers Rights Centre.**

## McLibel Campaign Launched

A group of Wellington environmentalists have launched a campaign to support two activists from Greenpeace (London) who are being sued for libel by the multi-billion dollar McDonalds corporation.

McDonalds claims its reputation was damaged by an allegedly libellous leaflet "What's wrong with McDonalds" which Dave Morris and Helen Steel are accused of distributing as members of Greenpeace (London), an independent collective which predates and has no connection with Greenpeace International.

Spokesperson Ross Gardiner says the New Zealand McLibel Support Campaign has been formed to inform the public about the facts behind the libel case and to campaign against McDonalds use of the libel writs to silence criticism.

Mr Gardiner was in London last year where he gave written evidence against McDonalds for use in the trial, which is due to start on June 27th.

"McDonalds are trying to suppress free speech and the best way to defend free speech is to use it, and that's what the campaign is about," he said.

• **Contact :**  
**Ross Gardiner**  
**or Mark Dunick**  
**on (04)3897249**

## REPORT FROM PEACE WORKSHOPS

This was my second time at the National Peace Workshops and for mechanical reasons it turned into a fairytale adventure. It took us a leisurely 14 hours to get to Wellington from Hamilton, largely because of a flat tyre, but it took a record 39 hours to get back to Hamilton.

Before we even got out of Wellington we came across a seafarer's protest, of course being revolutionary types we joined in. We broke down in the hills just out of Wanganui and ended up staying the night on the side of the road as it was getting dark. We made a fire in a concrete rubbish bin and cooked up some pasta which didn't taste too good so we threw it at each other instead. The stewed apple and oats went down well though.

Like street urchins we huddled over the flames, which we had to light using our conference notes (the irony of survival politics!) With three of us six-footers crammed in the back of the combi and Eddie and Jamie outside, we slept - sort of. The van door falling off in the middle of the night only added to the excitement. The guy who took us back to Wanganui the next morning said it was the heaviest frost this year.

While in Wanganui, fate caught us in another protest. In solidarity with all the other University and Polytech student associations, Wanganui Polytechnic students were protesting against the appropriately named 'Toad Report'. Is it the time of the year or are the people of New Zealand under attack?

Whether it be in Aotearoa, North or South Korea, Sri Lanka, Cuba or East Timor, there are issues of peace, justice and human rights which need addressing. The National Peace Workshops

are like a smorgasbord of struggles, causes, tragedies, projects, issues and conspiracies. One thing I really enjoyed was the wide range of interesting and knowledgeable people there. People who have actually been to places we see on our screens. People representing many diverse groups, young and old.

Even so, I can't help thinking that considering the gravity of the issues discussed, there were not enough people there. Still, I'd hate to think how long it would take to make a consensus decision if there were several thousand of us! A more serious problem would be accommodation. Tapu te Rangi Marae (Island Bay) where we stayed was beautiful and lent a friendly and creative atmosphere to the conference. It would be a pity if it were too small a venue to stay at in the future.

If we are going to survive into the 21st century we need to be aware of the issues facing us and the earth we live on and be prepared to act. That's why networks such as AYN are vital, so we can share information, energy and vision.

There are also issues which peace Movement Aotearoa (the umbrella group which runs the Peace Workshops) needs to confront. The monocultural/Paakehaa bias in the issues that we decide to focus on, our lack of consultation with Maaori, an unwillingness to put time and energy into addressing issues of biculturalism, partnership and Treaty obligations. These issues keep coming up year after year and I hope next year a decent amount of time is set aside in recognition of their importance. Although there are many urgent issues needing attention around the globe and locally, we must also deal with peace and justice issues in our own backyard.

•Paul Smith.

# Banking On Poverty



More and more New Zealanders are feeling the effects of having their lives controlled by faceless bureaucrats and economists who say that "the market" will solve all of our woes. With high unemployment, falling wages and living standards, we're told to export, compete internationally or die, to bear health, welfare and education cuts - short-term pain for long term gain they tell us. Aotearoa/New Zealand shares this experience with many countries, especially in the Third World, forced to follow the rigid, painful and inhuman prescriptions of the world's two most powerful financial institutions, the International Monetary Fund (IMF) and the World Bank, founded 50 years ago at the July 1944 conference in the US seaside resort of Bretton Woods.

## FIXING THE RULES

This meeting's outcome was a system of fixing the rules about international finance ensuring the dominance and control of the major economic industrial powers and their companies at a time when many newly-independent nations sought a fair deal after centuries of colonial exploitation of their lands, resources and peoples. Such underdevelopment forced many countries to borrow money to develop their economies and pay interest on their debts. Just after Bretton Woods the initial call on international finance was for Europe's post-war reconstruction. Ever since, the policies and practices of the World Bank and IMF, the global "new ruling class", and the spread of freemarket evangelism have together created a new sort of colonial relationship between the poor sectors of the planet's population and these all-powerful money lenders.

## RIPPING OFF THE POOR

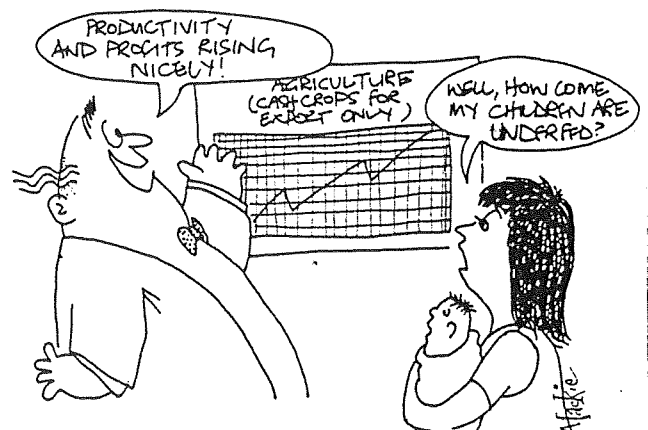
Between 1984 and 1990 this relationship was responsible for an astounding net transfer of financial resources from the Third World to the commercial banks amounting to US \$178 billion. The upshot of decades of lending for development is that poor countries have lately been transferring over US \$21 billion/year into the coffers of the rich in debt repayments. A former World Bank Executive Director said of this: *"Not since the conquistadores plundered Latin America has the world experienced a flow in the direction we see today"*. This outflow robs people of resources that could go into economic recovery and development, basic utilities and social services, and structural reforms to empower the poor and spur sustainable development. So the term "aid" is a complete misnomer. In fact, the South subsidises the North's over-consumption. Commercial banks have profited from the indebtedness by buying Third World industries and services at bargain prices.

## WHO SHOULDERS THE DEBT BURDEN?

Worse still, people pay for the outflow through new taxes exacted by the government to earn more revenues for debt service. They work harder and longer, but earn less real income, due to devaluation and inflation that result from policies demanded by the nation's creditors. In many countries like Pakistan or the Philippines, the people shoulder much of the debt service burden through the dollars they remit from overseas employment, into which they've been forced by debt-connected structural unemployment and underemployment. They suffer from government spending cuts, which always hit the poorest hardest, and the drive to earn more through concentrating the economy on producing export earnings. But prices for commodities like coffee and cocoa on which most Third World nations rely never reflect real production costs and are set by the industrialised countries which import them. Just 9 products make up over 80% of African, Pacific and Caribbean nations' total earnings. With most commodity prices falling, the much-needed foreign exchange for debt and interest repayment is shrinking. Food security, the environment and the livelihood of millions of small farmers are threatened by turning agricultural land over from producing necessary food crops to cash crops. Moreover, the call to some 80 structurally adjusting countries to increase exports will cause an oversupply and prices will collapse.

## SAP-PING THE SOUTH

The IMF was created to stabilise exchange rates and provide short-term financial assistance to members having difficulty making income and expenditures (balance of payments) meet. It's the lender of last resort to economies strapped for cash. The original time horizon of IMF loans was six months-one year (since extended up to 2-3 years). Money is made available only after the recipients agree to policy reforms in their economies. This is structural adjustment - the polite phrase for grinding down whole nations and entire populations. Structural Adjustment Programmes (SAPs) commit countries to harsh programmes of economic austerity, placing social needs a clear second to book-balancing. This means the brutal suppression of



pages and living standards. The message to debtor countries is to tighten belts, spend less, and open their markets to multinational investment supposedly to reduce their balance of payments deficits. SAPs are based on the belief that relying on market forces is the most efficient way to distribute resources. UNICEF director James Grant says that the IMF and the World Bank have excluded human benefits from their calculations. Women are hit especially hard by SAPs, picking up many extra hours of caring for their families, the sick and the elderly, searching for food and fuel, since they are the majority of caregivers, farmers and food preparers in the world. Strong opposition to SAPs has shown itself in the growth of peoples' movements like the Freedom from Debt Coalition in the Philippines, and mass actions like the 1982 "IMF revolts" in Sudan.

## SECRETS BEHIND LOCKED DOORS

When a government makes an agreement with the IMF it commits itself to a Letter of Intent to implement specifically named stabilisation measures, to which the IMF will grant funds. As they're not strictly international agreements, terms usually stay hidden from public scrutiny. The secrecy surrounding the decision-making of both bodies ensures that those most affected by the outcome are excluded from influencing the negotiations. The IMF keeps tight control on its members, including Aotearoa/New Zealand, visiting them yearly to check out their financial situation and write a confidential review.



## A VERY UNDEMOCRATIC FUND

Developing countries are most affected by IMF policies, but have hardly any influence on their formulation. At Bretton Woods, the USA managed to force through its interests against the rival industrial countries of Europe weakened by war and to anchor these interests in the structure of the new monetary system. The IMF is governed by its member countries. The balance of power is determined by quotas, on which payment obligations, credit facilities and voting rights are based. Quotas were worked out according to a formula - never officially accepted in Bretton Woods - which included countries' national income, gold and foreign exchange reserves, size and fluctuations of foreign trade as well as export dependence, with different weightings given to these factors. Each member is entitled to a basic 250 votes. Extra votes are allotted according to a country's payment into the Fund. The USA holds just under 20% of total votes. The vast majority of members hold less than 1% of total votes each. The IMF and the Bank are funded in part by member nations' contributions, and partly by borrowing and investing on world capital markets. The World Bank follows the same pattern. There the US enjoys 17% of the vote, (the USA, Japan, Britain, West Germany and France together wield about 40%). Major developing nations like Brazil and Argentina hold only about 2.5% and 1.5% respectively. Traditionally the Bank's president is a US citizen (to win the confidence of US banks as a source of finance for World Bank capital), while the IMF managing director is European. And the Bank's bureaucracy implements these same monetarist policies. No projects have been turned down by the Board.

*"[T]op-down management, misguided by an unrealistic vision of development as the generalisation of Northern overconsumption to the rapidly multiplying masses of the South, has led to many external failures, both economic and ecological... The unrealistic vision of development should be blamed at least as much on academic economic theorists as on World Bank practitioners."* H.E. Daly, Senior Economist, World Bank Environment Dept 1988-94.

## SO WHY USE THE IMF?

IMF agreements are a high, if reluctantly entered into, priority for most developing countries. Although such an agreement doesn't guarantee that commercial bankers will follow with a loan, it's almost impossible to find a banker to lend new money to a country without the IMF's blessing of its government's economic policy. The IMF tries to monitor the world economy through regular meetings, acting as a crisis manager for other major banks. To belong to the World Bank, governments must first join the IMF. Without conformity to IMF rules there can be no development aid from the Bank. Developing countries, once integrated into the capitalist world economy, have virtually no chance of fending off the IMF, the world's 'financial policeman'. As debtor countries they're dependent on its aid.



*...SO YOU SEE, THE ENTIRE FUTURE OF THE INTERNATIONAL FINANCIAL SYSTEM HINGES ON YOUR CAPACITY FOR QUICK RECOVERY AND VAST ECONOMIC GROWTH.'*

## DOUBLE STANDARDS

The IMF claims to be a non-political organisation, but many of its decisions clearly favour countries already aligned to the West, or else aim at wooing countries away from socialist policies. Whereas socialist Vietnam received no loan when it

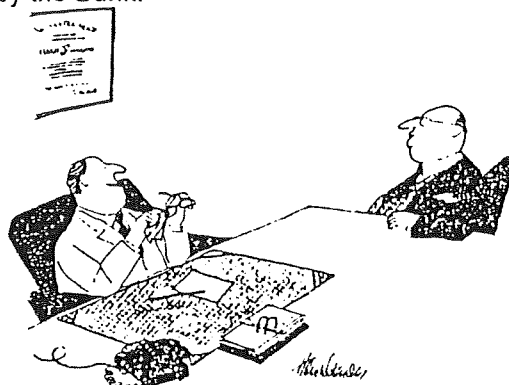
invaded Cambodia, South Africa, which had just brutally crushed the Soweto uprising, was given an IMF loan of US \$464 million in 1976 - a sum almost equal to the increase in its military expenditure in the same year. And while the IMF deems subsidies for basic foods an intolerable strain on a country's balance of payments, military expenditure is generally sanctioned despite the severe economic strain that it causes. With few exceptions, the IMF insists on member's rights to defend itself.

## THE IMF'S FAILED FORMULA

Currency devaluations in less developed countries make exports cheaper, but also make imports - which usually include machinery, energy resources, medicines and food - more expensive, thereby squeezing import-reliant domestic industries and causing severe social ills. Higher interest rates, which are supposed to encourage savings, deter the investment needed to create jobs. Cuts in government spending, designed to eliminate waste and save money, create further unemployment and devastate vital social services, including healthcare and education. IMF prescriptions aren't compatible with long term development. Its austerity programmes strangle chances of recovery. Indeed, IMF failure to improve countries' balance of payments deficits led to the World Bank introducing long-term Structural Adjustment Loans. To obtain these, countries must commit themselves to a radical programme of economic reforms supervised by the Bank.

## MISSION INEXCUSABLE

*"The IMF was never designed to help the Third World or end poverty. It was established by the Bretton Woods conference of 1944 to restore economic and financial order to the Western world. There was no element of compassion for humanity in its formulation. The Fund's aim is first and foremost to secure the interests of developed countries",* writes Davison Budhoo, former IMF economist in his 1988 resignation letter. *"We make or break human life every day of every year as probably no other force on earth has ever done in the past or will ever do again."*



## HELPING COMPANIES TO HELP THEMSELVES

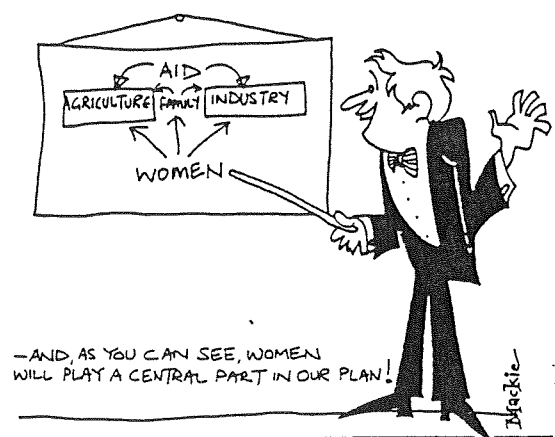
The global dominance of multinationals is reinforced by IMF/World Bank policies. Their needs are met by IMF/Bank requirements. Examples of this are the debt-equity swaps whereby the Bank encourages countries to swap a state-owned asset for part of its debt. The Bank advised heavily-indebted Argentina to privatise its telecommunications industry in return for wiping some of its outstanding repayments. The role of the IMF/World Bank is always to expand opportunities for free world trade and free enterprise economies. This raises serious questions about the conditions under which a nation can set its own policies and directions, given the global economic order's constraints and the operating rules of agencies like the IMF.

## THE WORLD BANK: AT WAR WITH THE POOR

Describing the Bank, Susan George says *"They are members of a religious organisation, a medieval church. They have the truth and are damn well going to ensure that everyone accepts the truth."* The Bank's founders claimed that its primary purpose wasn't to make a profit. But in 1991, its net income was US \$1.65 billion with US \$11.2 billion in reserves. Its huge bureaucracy of some 6800 highly-paid, jet-setting civil servants cost over US \$1 billion. Yet it claims to be fighting poverty. Third World Network economist Martin Khor says that really these institutions are waging a war on the Third World under the guise of the free market and liberalisation, devastating the poor. The Bank is made up of several institutions. The International Bank for Reconstruction and Development lends to governments for large-scale development projects that typically have a 5-year gestation period and may take up to 20 or more years to complete. The International Finance Corporation co-finances and guarantees private investments in the developing world. Increasingly these have been concentrated in the food and agribusiness industries. Much of its emphasis is on turning countries of the South into market economies, encouraging governments to privatise services like power, ports, telecommunications and airports. Lastly, the International Development Agency (IDA) was created in 1960 to funnel money to the Bank's poorest members. In May 1985 it established the Special Facility for Sub-Saharan Africa, administered by the IDA. The Global Environment Facility, also housed in the World Bank, was established in 1991 to fund projects aimed at "protecting" the environment.

## DOUBLESPEAK/BANKSPEAK

The World Bank puts more money into more schemes in more developing countries than any other institution and says it "seeks to meet the needs of the poorest people" but doesn't ask the poor how they see their needs, nor how these might best be met. Only government officials, UN experts and multinational company representatives talk to the Bank. Guided by blind faith in market forces, with slogans like "investing in human capital", by its own admission the Bank is mainly interested in people as producers, not the human costs of debt servicing, nor in communities' rights to determine their own futures. It talks of increasing productivity of the poor but won't address the issue of land redistribution, which grassroots communities around the world have identified as a fundamental issue. Redistribution of income and wealth is not part of its "prescription" to encourage development. The Bank makes many pronouncements about the rights of women and indigenous peoples to development and the importance of environmentally sound projects. Its practices are altogether different.

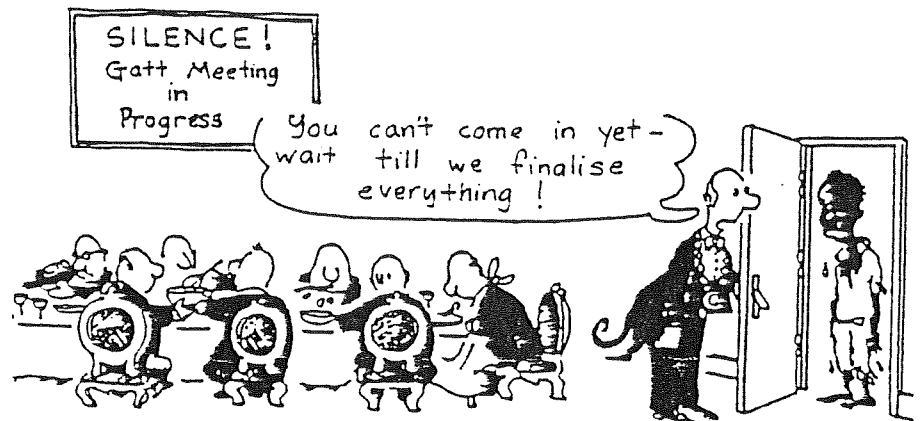


Despite the recent erosion of US control over the world economy, the Bank strongly reflects the wishes of US foreign policy. With 17% of voting power and capital share, it retains a veto over major lending decisions. Moreover, it can operate free from national legislative, judicial or popular constraints. During the 1980s, for example, the US administration pressured the Bank into delivering over \$8.5 billion in aid to China when it was thought that Congress would not approve such a large bilateral aid programme for China. This was part of a strategy to bring a former Soviet ally more firmly within the US sphere of influence. Conversely, the drastic cutoff of Bank funds to Allende's Chile was part of a destabilisation planned in Washington, which led to the economic crisis and bloody coup of 1973 after which Pinochet's fascist rule was well supported by the Bank.

### GATT ATTACK!

With the signing of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) and the formation of the World Trade Organisation to oversee up to US \$6 trillion of annual world trade many voices in the South are raised in alarm at the creation of a powerful ruling triumvirate, locking them into a role of cheap producer of raw materials forever.

G77 outgoing chairman Luis Jaramillo, speaking on behalf of over 100 developing countries: *"The Bretton Woods institutions for their part continue to be made the centre of gravity for the principal economic decisions that affect the developing countries. We have all been witnesses to the conditionalities of the World Bank and the IMF. We all know the nature of the decision-making system in such institutions. Their undemocratic character, their lack of transparency, their dogmatic principles, their lack of pluralism in the debate of ideas and their impotence to influence the policies of the industrialised countries. We all know the way in which structural changes are imposed and how projects are formulated. And how subsequently, when many of those policies and projects fail, their authors disappear from the facilities of Pennsylvania Avenue. Nobody is then accountable for anything."*



### FINDING HUMAN ALTERNATIVES

The global debtor-creditor relationship is one of domination and control, secrecy, lack of accountability, and a cynical disregard for people. Escaping this unjust relationship involves building new democratic alternatives which allow ordinary people to control their own lives. These already exist. Growing from struggles against policies inflicted by the powerful are groups like the Women's Centre (Sri Lanka) and the Freedom From Debt Coalition (Philippines). Basic community issues become platforms around which genuine development will occur.

The Women's Centre in Sri Lanka's Free Trade Zone is a people-oriented response to exploitation and injustice. The Zone typifies the medicine dished out by the World Bank in the name of "development". Tax concessions, low overheads and heavily repressed low paid workers lure multinationals to invest in factories and reap profits. Paid barely subsistence wages and forced to live in appalling conditions, workers, especially women have organised to demand a fair deal. The Centre is a focus around which to organise better health and working conditions. Using street theatre, lectures and sharing resources to educate each other, its strong political message is equally applicable to us in this country as IMF inspired policies are forced on us by 'our' own government. By their action these women are building a better life for themselves and their community. Clear to them from bitter experience is the fact that those in power won't sacrifice profit for the sake of justice.



The Freedom From Debt Coalition is a broad-based people's response to the crippling debt problem. Debt allows the IMF and World Bank to have strong control over Filipino economic and social policy. In calling for a debt repayment moratorium until acceptable debt rescheduling terms are met and disengaging from loans that don't benefit the people, the Coalition puts peoples' needs and sustainable development on the agenda. Made up of 144 organisations it works on popular education and mass campaigns, policy research and analysis, lobbying and networking nationally and internationally. It sees foreign debt, the economy, agrarian reform, human rights, militarism and other issues as being closely connected. Here is a people's movement resisting the IMF and World Bank making the links in opposing all structures which benefit only the rich.

Reforming and restructuring the IMF and the Bank themselves and the international monetary system of which they are a part will be hard without radical institutional change. Their failure to deliver meaningful development shows that top-down control does not work. Solutions and alternatives to an IMF/World Bank - controlled world do not exist outside of the people they affect. Economics is not solely the preserve of those in power, but affects us all. A just world order must allow people to build futures for themselves just as thousands of communities are doing everyday.

Produced by Corso and Christian World Service for the "50 Years Is Enough" campaign. 50 Years Is Enough is the name of a global mobilisation against the policies of the IMF and the World Bank. Donations and requests for more information can be sent to: "50 Years Is Enough", c/-Box 22-652, Otautahi (Christchurch)

# Letters to the Network

Bosnia - where does responsibility lie?

With New Zealand troops preparing, somewhere in the World, to go to the former Yugoslavia as "peace keepers" it would seem to be well beyond the time when we should be discussing what is our commitment, as a community, to world peace.

However it seems to me that the discussion about the problems existing in this part of the Balkan's was captured from the moment it began. We've never been able to challenge the substance of the issue. The question "do we care?" was asked. If we replied in the affirmative then we were told "send in the troops" was the only possible answer. Those of us who opposed sending soldiers were tarred with the same brush as the "it's too far away and they're only foreigners killing each other anyway" reactionaries.

What I would regard as more fundamental issues than those about who would control the soldiers from Aotearoa / New Zealand would be issues about the appropriateness of sending soldiers to stop war, and whether or not trained killers are the best people to engage in mediation (as Linton based troops were supposedly trained in).

What were the roots of the conflict? Who was promoting and profiting from the fighting? What involvement did the elected government of Bosnia have in determining the future of the national it was meant to be representing? These issues were ignored even by those who hold

themselves out to be spokespeople for the peace movement.

For me, a community's commitment to world peace is best shown by its commitment to peace within that community, just as a person's commitment to something is best seen by the way they choose to live their own life.

If we are people who believe in peace then I think we should be examining our own lives, the community we relate to most closely, and the extent to which we can affect our own society in the search for peace. The solutions to the world's problems are in taking responsibility for our own actions, as they relate to our community, and in reaching out and recognising our obligations to seek that same response from others.

In examining what it is that represents my personal commitment to the people who are victims and survivors of violence in Bosnia I have to look at what it is I can achieve, and how it is that what I can do would help.

It may be the best thing that I can do is live a life myself where I respect other's right to live in a world without violence. I can try to seek that same response from others. As a vision I can hold it up for others to seek to aspire to too.

Perhaps as a nation Aotearoa / New Zealand can recognise the folly of trying to achieve peace through violence or through threats of violence. A peace policy that was for export! The people of Aotearoa / New

Zealand could go further and actually do something about the violence that is here - we could actually try to address the issues of colonisation, of racism, of patriarchy, of capitalism, of all the hierarchies.

Aotearoa / New Zealand could recognise its responsibility for world peace by disarming. Certainly Aotearoa / New Zealand could end its involvement in the arms' trade. This would be a very real challenge to war and specifically to the industry that has maintained the military conflict in Bosnia. I would hope that these issues are ones that get debated with the Citizen's Initiated Referendum question on cutting military spending in half. Personally I don't think it's enough - think about how much we could save if we took all their guns away...

I challenge those who seek to learn about pacifist approaches to peace, such as civilian based defence, to explore non-violent approaches to peace (and to challenge the oxymoronic alternatives) and, for those who haven't, to examine your own life, the violence within it, and to make a personal commitment to peace.

For while as an individual I can seek to change the community and the nation I live in to reflect the values of peace that I claim to aspire to, it's pretty shallow if I don't try to reflect those values in my own life.

•Alistair Shaw  
Whanganui-a-Tara

## A Vision of Despair

Another whiplash  
Strip torn  
Tied battered  
Way seems blocked  
to red eyes  
Too bloodshot too see,  
Haunted dreams  
Of wolves waiting,  
Circling  
The hunger of power, To rip and  
tear,  
To believe their own bloodbath  
lies.  
A nation numbed  
Spellbound by meaningless talk,  
People lost in empty corners,  
Paralysed by the future,  
Turned rotten,  
Turned sour  
The air reeks with hopelessness  
And I cannot sleep  
How can we build a community  
When each is trapped in their  
own despair?  
The words toss and turn,  
A thirst for hope -  
A way forward,  
Yet we lie in judgement of  
ourselves,  
Rip and tear  
Our own shaky barricades  
Bow down to bureaucracy,  
The omniscient powerful ones,  
Can afford to laugh,  
While we drown quietly,  
In our own blood.

• Cybele Locke.



## Networking - The Debate Continued

Here are a few points of mine on networking and the role of the AYN newsletter. A lot of this stuff follows on from the piece in the last issue, and from the discussion we had at the Political Revival weekend in Wellington.

Firstly it is essential that there is continuing debate on how the AYN operates, and how the newsletter fits into this. Thus I have taken up the challenge, so to speak.

As was said in the last issue, the newsletter is a networking method. I see the newsletter as being the core networking tool, around which other methods will play their parts. A network should allow everybody who is a member of that network to have equal access to the information and resources within the network, and I believe the newsletter, as the formal base of AYN, is the simplest way to accomplish this.

The network, I believe should operate on two levels. Firstly every subscriber is an equal 'point' on the network, and can give to and take from what they like from the network. A part of this is that there should be 'event-sharing' - that is, the network should be used so that people/groups can publicise any actions, etc. they are undertaking, and thus can inform other groups of what is going on, what strategies are being used, etc. One of the great problems with the 'Progressive Movement' has been that groups have been doing things too much

in isolation, and that groups with the same goals (especially from different parts of the country) have worked largely independently. AYN is a means of achieving some coordination and coherency, but it needs the input!

The second level is that of regional groups. A network lives and dies by the collective strength of the people within it, and thus a newsletter in isolation will not achieve a network. Alas due to logistical and financial reasons, the whole network cannot get together and strengthen ties, etc. on a regular basis. However on a regional basis this is possible AND a good idea. The national contacts should instead be regional coordinators. This idea was talked about at the Political Revival weekend. The regional coordinator(s) should contact AYNers in their area, and should also organise activities. These could be the great idea of local print groups, as was suggested last issue, or could be as simple as going to the pub. The regional coordinators could also (actively or passively) collect contributions from the AYNers in their region, or try to achieve the 'event-sharing' I talked about above.

A sort of related point to this is that I'm a bit of a list-a-phobe when it comes to publishing lists of subscribers in the newsletter. Firstly, I'm not convinced that people putting their names down on all sorts of 'publicly' circulated lists is a good idea. Secondly, I think that it's wasting space to regularly have lists in the newsletter (and they would

have to be regular to be worthwhile). A better way to go about it would be to publish the regional coordinators names and contact addresses (as is done now with the national contacts), and for these people to have lists of all subscribers. If people then want to contact people in the network, they can then contact a regional coordinator first. I see this as a process that should actually strengthen the network. The other source of contact information would be the people or the group they represent being with every article published in the newsletter (unless they specifically did not want it published).

Finally there is the issue of policy. This is a tricky one, as AYN is a network rather than an 'organisation' as such. Therefore policy decisions should come from within the network as a whole - ie. debate going on within the newsletter about the particular policy decisions. My understanding is that the editors tried this for the subscription charge, but received little or no response. The onus for discussion lies equally on all members of the network. But the problem is who decides, even with debate, what the 'consensus' policy decision is? I can't say that I have any particular bright ideas about this.

The other part of policy is content. At the moment AYN says that nothing overtly racist, sexist, homophobic, or offensive to any marginalised group will be published. But who decides what is overt; who ARE marginalised groups? My feelings tend towards the freedom of speech side - ie. publish anything. If people are upset about something published, then they should write in and say so. Because this is a networking newsletter, the members of the network are not responsible for what goes in it (in terms of the

attitude of the article being a reflection of the network). Sidetracking a bit, there should [not] be "letters to the editors" - letters are to all the members of the network. It's a pedantic point, but I think it's always useful to keep in mind that the newsletter is a tool for NETWORKING! On the other side of the coin, we don't want to waste our time and space perpetuating bullshit. Thus maybe the newsletter should publish anything that attempts to

provide serious debate or makes serious points, and that the editors are on the lenient side - ie. if in doubt - publish!

Well that's my rant. Feel free to rubbish anything and everything I've said - I don't care as long as there is debate by all members of the network as to where we should be going!

• **Austen Ganley**  
**Palmerston North.**

**This debate on networking and the magazine is open to anyone in the network to comment on. Please write in with your thoughts. Next month I am going to summarise the suggestions for networking for your approval. I have already begun putting some of these ideas into practise. Love Cybele.**

## *Regional Updates*

### **Auckland:**

Congratulations to Brendon for winning the AUSA President campaign. It is good to see the Left coming out on top in a rather traditional Left (Brendon Lane) versus Right (Ritchie Watson) battle. May the battle for Free Education continue.

### **Palmerston North:**

Thanks for the great response from Palmerston! Sounds like you guys have been really busy. What with Witches singing for their education against the Todd report on June 11th, protesting against the budget, burning an effigy of Bill Birch, another Women's protest at Tangimoana (the spybase) on May 30th and the creation of a new newsletter you must be all incredibly busy!. I also saw you all on TV creating Bolger potato heads (out of potato) when he was in town. Excellent! Watch out for the Budget Day Rally against User

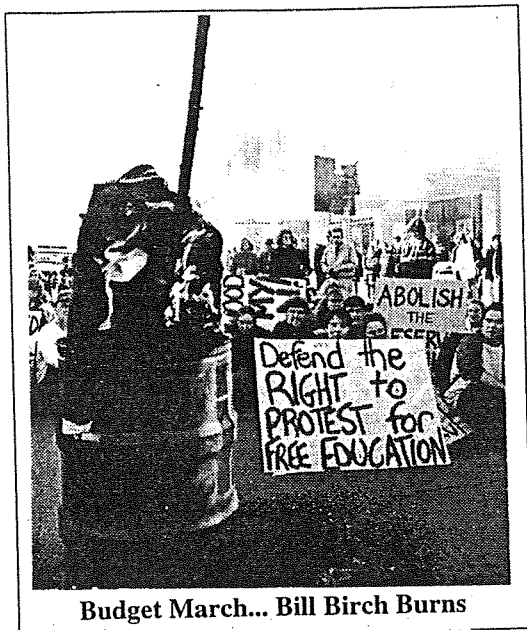
in Education, Wednesday July 29th.

### **Wellington:**

The Next Step campaign seems to be a major focus for quite a few young people in Wellington at the moment. (Read the first article.) Although I hear the Education Action Group is getting up and going with a strategy campaign. Keep in touch with other 'campi' so we can keep up the nationwide campaign to stop the Todd Report from being implemented at all costs!

### **Christchurch:**

Young women in Christchurch will have been busy with Te Whakanui Waahine (The Women's Festival) from Friday 15th July - Saturday 23rd. Article on this please! The Peace Group on campus are also organising a protest on Hiroshima Day so contact Melanie Thomson for details.



**Budget March... Bill Birch Burns**

#### **Dunedin:**

The Dunedin Education Action Group have been scaling the central Railway Station this week to hang an anti-Todd banner from the very top. Although this was done in broad daylight and is across the road from the central police station, only the media seemed to notice what they were up to! Keep a look out for strange messages hanging off bizarre buildings over the next coming week in Dunedin. These actions are a lead up to our week up action against the Todd report (August 3rd - 10th). We are burying Todd on the 2nd August (please bring a spade) and will be setting up a shantytown and soup kitchen on the Union lawn beginning on August 3rd. Further action, August 10th. If anyone else is interested in planning similar activities in this week, please stay in touch so we can support each other. Fergus Wheeler, from the Next Step Campaign in Wellington has just paid a visit to Dunedin and anyone interested in this campaign, please meet us at the Environment Centre, Monday 1st August at 6pm.

**STAY IN TOUCH!!**

## **50 Years Is Enough!!**

July 1994 is the 50th anniversary of the Bretton Woods conference that initiated two of the world's most powerful institutions, the International Monetary Fund (IMF) and the International bank for Reconstruction and Development, more commonly known as the World Bank. Together these free institutions of free market ideology hold an enormous amount of power, continuing the colonist practises that have destroyed the lives of people and the

environment. The setting up of the World Trade Organisation (WTO) at the conclusion of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT), will tip the balance even further against the world's peoples and the environment.

**We call for an end to structural adjustment programmes.**

**We call for the cancellation of debt.**

**We call for an end to the building of large dam projects.**

**We call for transparency and accountability in the IMF and World Bank's policies.**

**We call for an end to the models of development which support the elites, the governments and the TNCs.**

**Finally we call for an end to this monetarist religion.**

**50 Years Is Enough!!**

This platform has been endorsed by the following groups:

Campaign against the Foreign Control of Aotearoa.  
Catholic Commission for Justice Peace and Development.  
Christian World Service.  
Corso.  
Council for Mission and Ecumenial Cooperation.  
GATT Watchdog.  
Network Waitangi.  
Philippines Solidarity Network of Aotearoa.  
New Internationalist.

**For information on this campaign, please contact:  
50 Years is Enough Campaign**

**C/- Christian World Service  
P O Box 22 652  
Otautahi (Christchurch)  
Aotearoa New Zealand.**

Note: Peace Researcher is now continuing to come out of Christchurch. The editors are Warren Thomson and Bob Leonard and Dennis Small. There will be 3 or 4 issues a year. Folks who paid for subs in 1993 will receive the journal throughout 1994 and no new sub notices will be sent until 1995. P.O. Box 2258, Christchurch.



# Regional Contacts

## Auckland:

David Flemming  
33b Birdwood Cres.  
Parnell

## Hamilton:

Dale Frew  
PO Box 9578  
Ph: 824-4480  
(With support of others -  
Eddie? Stef?)

## Napier:

Ivan Tabor  
32 Plunket St.  
Ph: 844-4603  
(If anyone else from Napier is  
keen to be a contact please  
contact Dunedin.)

## Palmerston North:

Duncan Killiner  
17 Worchester St.  
or

c/o MUSA  
Post Box  
Massey University.  
Ph: 357-4121  
Fax: 354-2756  
(Jamie Bichan and Steve  
Collett can also be contacted  
about AYN.)

## Wellington:

Amy Roundtree  
13 Hall St.  
Newtown  
Ph: 389-7665.  
(There is also a Wellington  
AYN support group in the  
process of being set up.  
Contact Amy for details.)

## Nelson:

Kate McPherson  
23 Wellington St  
Ph: 548-9036  
(If Kate is not at home ask  
her flatmates for details  
about AYN)

## Christchurch:

Melanie Thomson  
39 Holly Rd.  
Ph: 355-7975  
(If anyone else from Christch-  
urch would like to be a con-  
tact please get in touch with  
the collective in Dunedin and  
Melanie in Christchurch)

## Dunedin:

Cybele Locke  
17 Blacks Rd.  
North East Valley  
Ph: 473-0684.

The E-mail address for AYN is:  
[kyle.matthews@stonebow.otago.ac.nz](mailto:kyle.matthews@stonebow.otago.ac.nz)

## Street Art Aotearoa Update:

### Filipino Cultural Workers Exchange

This network is hosting two  
talented and experienced  
Filipino cultural workers who will  
be doing a tour of Aotearoa, late  
October and early November.  
Look out for details on where

they will be playing around the  
country. They will be performing  
in Dunedin during November  
10th - 13th and performing a  
concert and workshop in Auck-  
land on November 16th. If you  
would like more details please  
contact Lisa Beech, 31 Parkview  
Ave, Fielding.

## Dear AYNers:

How's it going?? Well another  
month has passed and the  
networking side of things in the  
magazine seems to be improv-  
ing all the time! Still, do  
encourage your friends to  
subscribe - as finances are  
always tight. There are still  
areas of the country that need  
regional contacts too so if  
you're interested do drop us a  
line. I believe that the more  
we keep meeting nationally,  
the better the network works  
and contacts grow. It would  
be fantastic if we could have  
the National Peace Work-  
shops every month however  
impossible that may sound. If  
anyone has any ideas for ways  
to meet nationally and has the  
energy to set this up, please  
get in touch. Still, ringing  
regional contacts is working  
well although it is difficult to  
get hold of some of you. It is  
still an incredible buzz to get  
letters from people we haven't  
heard from before and letters  
from old friends make this  
magazine worthwhile. We are  
trying to set up another work-  
shop day in Dunedin on issues  
of confidence building, power  
dynamics in groups and facili-  
tation - skills that are incred-  
ibly essential when doing  
activist work. If any of you  
want to set up a workshop in  
your own area on these kinds  
of issues, please write if you  
need some advice on how to do  
this or where to find people  
with those skills already.

Love Cybele, Kyle, Joss,  
Anna and Cat.

# SUBSCRIPTIONS:

\$9 UNWAGED  
\$18 WAGED  
\$25 ORGANISATION  
\$50 INSTITUTION.

THIS SUBSCRIPTION IS FOR A WHOLE YEAR.  
HOWEVER, IF YOU CANNOT AFFORD THIS  
PLEASE SEND US YOUR ADDRESS AND WE  
WILL SEND YOU THE MAGAZINE.

## Believe it... or Not

### Studenti ohrožovali ministra školství

Christchurch - Dobrou tělesnou kondici včera prokázal novozélandský ministr školství Lockwood Smith, když musel zvolit jako východisko z diskuse se studenty Canterbury univerzity v Christchurchi odchod oknem. Tisíce studentů obkličily budovu, když se dozvěděly, že v jedné posluchárně ministr debatuje s jejich kolegy o problémech vzdělávání. Do sálu se nacpalo několik stovek hlúčících nespokojenců, zatímco další venku obkličili ministrův vůz. Smith byl duchapřítomný: ještě než se kruh kolem něj neproděšně uzavřel, stačil vyskočit z okna a zmizet ve voze svého doprovodu.

Lockwood climbing out the window made the newspapers in Czechoslovakia!

### Minister flüchtete durchs Fenster

Christchurch (Reuter/Kr). Nur durch Flucht konnte sich der neuseeländische Bildungsminister Lockwood Smith vor dem Zorn von rund tausend Studenten retten. Weil er die Beihilfen senkte, ist der Minister nicht gerade beliebt, und er sah sich bei einem Besuch der Canterbury-Universität in Christchurch in seinem Dienstwagen von Studenten umringt. Smith, früher Gastgeber von Spielformen im Fernsehen, reagierte rasch, kletterte aus dem Fenster und floh mit einem Beilettfahrzeug, während die Polizei gegen die Studenten vorging.

The great window escape makes a German newspaper this time!

Aotearoa Youth Network  
111 Moray Place  
Dunedin